

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1084-03  
Bill No.: HCS for SCS for SB 219  
Subject: Banks and Financial Institutions; Fees  
Type: Original  
Date: April 11, 2011

---

Bill Summary: Allows owners of automated teller machines to charge access fees to those with bank accounts in foreign countries.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Gaming Proceeds to Education	More than \$90,000	More than \$90,000	More than \$90,000
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>More than \$90,000</b>	<b>More than \$90,000</b>	<b>More than \$90,000</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Local Government</b>	More than \$10,000	More than \$10,000	More than \$10,000

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Insurance, Financial Institutions, and Professional Registration** assume the proposal would have no fiscal impact on their agency.

Officials from the **Department of Elementary and Secondary Education** defer to the Missouri Gaming Commission for response regarding the potential fiscal impact of this proposal on their organization.

Officials from the **Department of Public Safety - Missouri Gaming Commission (MGC)** state this legislation will have a positive impact on revenues to education.

There is no additional tax revenue generated in adjusted gross receipts for the state or home dock communities. Casino activity would not be affected as those patrons utilizing this new credit instrument would have previously participated in cash advances. There would be new tax revenue from another source, however, because the legislation redefines “adjusted gross receipts” (AGR) taxes to include “plus cash received in payment of credit instruments”. The MGC staff interpret this passage to mean that for every dollar received in payment for the credit, the casino would be charged 21% on top of the 21% already taxed on the game(s) played. MDC assumes income from this additional tax would exceed \$100,000 annually, 90% to the Gaming Proceeds to Education Fund and 10% to Home Dock Cities.

This legislation has no fiscal impact on the Gaming Fund (0286) or the operations of the MGC. There would be internal costs in writing new regulations and ongoing costs for compliance and tax audits. The legislation would result in additional criminal investigations of possible credit fraud, promotion fraud and money laundering. These costs, however, would be absorbed within the current appropriations of the MGC.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
---	---------------------	---------	---------

**GAMING PROCEEDS TO  
EDUCATION FUND**

Income - MGC

Tax on payment of credit instruments	<u>More than</u> <u>\$90,000</u>	<u>More than</u> <u>\$90,000</u>	<u>More than</u> <u>\$90,000</u>
--------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------

**ESTIMATED NET EFFECT ON  
GAMING PROCEEDS TO  
EDUCATION FUND**

<u>More than</u> <u>\$90,000</u>	<u>More than</u> <u>\$90,000</u>	<u>More than</u> <u>\$90,000</u>
-------------------------------------	-------------------------------------	-------------------------------------

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
---	---------------------	---------	---------

**LOCAL GOVERNMENTS - HOME  
DOCK CITIES**

Income - Home Dock Cities

Tax on payment of credit instruments	<u>More than</u> <u>\$10,000</u>	<u>More than</u> <u>\$10,000</u>	<u>More than</u> <u>\$10,000</u>
--------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------

**ESTIMATED NET EFFECT ON  
LOCAL GOVERNMENTS - HOME  
DOCK CITIES**

<u>More than</u> <u>\$10,000</u>	<u>More than</u> <u>\$10,000</u>	<u>More than</u> <u>\$10,000</u>
-------------------------------------	-------------------------------------	-------------------------------------

FISCAL IMPACT - Small Business

The proposal may impact small businesses that provide unsecured loans if casino patrons obtain loans from the casino rather than the small businesses.

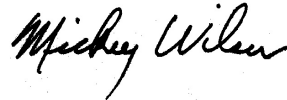
FISCAL DESCRIPTION

This proposal allows excursion gambling boat licensees to accept credit instruments in exchange for tokens or chips that can be wagered. Multiple instruments may be accepted from the same person and lost or destroyed instruments shall remain valid and enforceable if the enforcing party can prove their existence and terms.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
Department of Insurance, Financial Institutions, and Professional Registration  
Department of Public Safety -  
Missouri Gaming Commission

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
April 11, 2011